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Thailand

Grain and Feed

Weekly Rice Price Update

2004

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Report Highlights:

Export prices for white rice set another record due to the concern over limited supplies.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
Bangkok [TH1]
[TH]

Indicative Prices (Week Ending Nov. 15):

Thailand: Export (FOB) Prices for various grades of rice (USD/M.T.)									
	Exporter Observations							Period Avg.	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV.
F WR 100 B	435	430	430	449	412	435	430	432	431
WR 100 B	263	258	258	261	261	261	255	260	257
PB 5%	260	262	263	262	260	263	260	261	259
WR 5%	258	253	255	256	256	256	250	255	252
WR 10%	255	248	252	253	254	254	245	252	249
WR 15%	250	245	248	251	251	251	240	248	246
WR 25%	243	241	244	246	238	238	235	241	239
WR 35%	240	238	-	243	236	236	230	237	234
A 1 SUP	220	208	208	218	209	209	205	211	205
A 1 SPEC	218	207	207	215	207	-	203	210	204
Source: Average actual prices received from exporters									

Market Tone

Export prices for most grades of white rice set another record due to the concerns over limited supply resulting from the drought and the aggressive government intervention program. The Thai Agricultural Ministry's estimate of drought-affected area amounted to 8.921 million rai (1.4 million hectares), of which 7.6 million rai (1.2 million hectares) were paddy fields. MY 2004/05 main paddy production has been revised downward to 19.728 million (13.0 million tons milled equivalent), down 1.232 million tons (0.8 million tons milled equivalent) from the previous projection and down 5.7 percent from the previous year's production. The most affected areas are the northeastern provinces, major growing areas for fragrant rice. Also, the government discouraged farmers from second crop cultivation in light of anticipated low levels of water. However, some exporters remain optimistic, as it is too early to know the full extent of the damage. They expected that MY 2004/05 paddy production might be virtually unchanged from the previous year, as the damage will not likely outweigh the results of this year's expansion of cultivated areas.

Also, further strengthening of the Thai Baht (to 40.3 Baht/US\$, as compared to the previous week's average of 40.6 Baht/US\$) partly affected the surge in prices. However, prices for fragrant rice increased only slightly, as the current demand is reportedly not so strong due to the price competition from the relatively cheaper Pahtumthani fragrant rice.

The following are reported rice exports (as is basis):

WEEK ENDING	QUANTITY	4-WK AVG	YEAR TO DATE	YEAR AGO
	(MT)	(MT)	(TMT)	(TMT)
SEP 26	221,118	151,131	5,563	3,524
OCT 3	194,347	175,648	5,757	3,708
OCT 10	198,009	196,953	5,955	3,797
OCT 17	214,774	207,062	6,170	3,912
OCT 24	208,260	203,847	6,378	4,035
OCT 31	235,062	214,026	6,613	4,188
NOV 7	177,334	208,857	6,790	4,318
NOV 14	173,515	198,543	6,964	4,432

Note on data: Export figures since March 22, 2002, do not include fragrant rice. The authority to report fragrant rice exports was moved from the Thai Board of Trade to the Ministry of Commerce's Office of Commodity Standards, which does not release official fragrant rice export data. FAS/BKK will report only official export numbers from the Board of Trade for non-fragrant and from the Office of Commodity Standards for fragrant rice when available, but the reader should bear in mind the difference between the data.

Unofficial exports (excluding fragrant rice) for Nov. 8-14, 2004 totaled 173,515 tons, down 3,819 tons from the previous week's total and down 25,028 tons from the four-week moving average of 198,543 tons. Exports during Jan. 1 – Nov. 14, 2004 totaled 6,963,943 tons, compared with 4,432,421 tons during the same period in 2003.

According to the Department of Foreign Trade, Ministry of Commerce, total rice exports (including fragrant rice) during Jan. 1- Oct. 31, 2004, amounted to 8,311,757 tons, up 39 percent from 5,970,061 tons in the previous year. Despite reportedly anticipated slowdown in Thai rice exports for the rest of the year, total rice exports are expected to reach record 9.7 million tons in CY 2004.

Weekly Rice Sales

Private registered rice export sales for the period of Oct. 25-29, Nov. 1-5, and Nov. 8-12, 2004 are as follows:

Movement (MT)	Oct. 25-29	Nov. 1-5	Nov. 8-12
weekly sales	188,569	193,008	280,144
4 week sum	769,228	823,946	910,068
4 week mov. avg.	192,307	205,987	227,517
Total weekly sales	7,375,226	7,568,234	7,848,378

End of Report.